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BAUCUS, HARKIN, WHITEHOUSE HIGHLIGHT GAO REPORT SHOWING COVERAGE BEFORE MEDICARE IS KEY TO LOWER COSTS

<u>Study Links Pre-Medicare Insurance Coverage with Better Health Outcomes, Medicare Program</u>
<u>Savings</u>

WASHINGTON – Senate Finance Committee Chairman Max Baucus (D-Mont.), Health, Education, Labor and Pensions (HELP) Committee Chairman Tom Harkin (D-lowa) and Senator Sheldon Whitehouse (D-R.I.) today highlighted a report released by the Government Accountability Office (GAO) that found seniors who had continuous health insurance coverage prior to enrolling in Medicare were associated with better health outcomes and reduced costs to Medicare.

"Today's report from the GAO illustrates one more reason why expanding insurance coverage is a critical piece of the health care puzzle in America," Senator Baucus said. "Not only does expanded insurance coverage lead to improved health for seniors, it also plays a role in controlling health care costs."

"This report illustrates a core principle of the Affordable Care Act – affordable and accessible insurance coverage leads to improved health and saves money," said Senator Harkin. "It is just common sense that consistent coverage leads people to seek care early and avoid serious illness."

"This report shows that expanding access to insurance – as the Affordable Care Act is now doing – not only lowers spending and improves health outcomes, it also helps preserve and strengthen Medicare for our seniors," said Senator Whitehouse. "Getting more people covered is a win-win, plain and simple."

The report, requested by the senators, found that during the first year in Medicare, beneficiaries with prior continuous insurance had approximately \$2,300, or 35 percent, less in average predicted total spending than those without prior continuous insurance. The report also found that having prior continuous insurance raised the predicted probability that a beneficiary reported being in good health or better by nearly 6 percentage points during the first six years in Medicare.

The full report can be found <u>here</u>.